

**MEMORANDUM OF AGREEMENT
BETWEEN THE COUNTY OF SANTA FE AND THE GREATER
CHIMAYO MUTUAL DOMESTIC WATER CONSUMERS
ASSOCIATION**

THIS MEMORANDUM OF AGREEMENT (“the Agreement”) is entered into by and between the **County of Santa Fe** (“the County”), a political subdivision of the State, and the **Greater Chimayo Mutual Domestic Water Consumers Association** (“the Association”), a political subdivision of the State of New Mexico organized under the Sanitary Projects Act, NMSA 1978, §§ 3-29-1 through 3-29-21.

WHEREAS, The Association was organized to respond to the emergency needs of the community of Greater Chimayo for a safe and reliable domestic water supply, which need was recognized in the 2001 declarations of emergency by the Governor of New Mexico, the New Mexico Department of Environment, the New Mexico Department of Health, the County of Santa Fe, and the County of Rio Arriba; and

WHEREAS, the need to support small community water systems is identified as a key issue in Chapter 11 of the County’s Sustainable Growth Management Plan (“SGMP”), and providing assistance to community water systems is Policy 41.8 in the SGMP; and

WHEREAS, on September 30, 2014, the Board of County Commissioners approved Resolution No. 2014-103 endorsing the concept of regionalization of water services within the County; and

WHEREAS, the County desires to assist with the development of a regional water system solution to address water supply and water quality concerns in the Greater Chimayo service area, and the Association desires to receive such assistance from the County and to continue as partners with the County in water infrastructure planning, construction, and maintenance in the region; and

WHEREAS, the parties desire to work together to achieve a unified regional water system in the Santa Cruz River Valley to serve all communities located in that area; and

WHEREAS, the County is prepared to provide and the Association is prepared to use funding provided by the County for capital improvements; and

WHEREAS, it is in the interest of the public health, safety, and welfare for the parties to cooperate as set forth herein.

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. THE COUNTY AGREES:

- A. To provide up to \$625,000 in capital funds to reimburse the Association for the planning, design, construction, and ancillary professional services for the capital improvements described at Exhibit A.
- B. To process requests for reimbursement from the Association in a timely manner and to follow the reimbursement process described at Exhibit B.

2. THE ASSOCIATION AGREES:

- A. To use the County-provided capital funds as reimbursement for the planning, design, construction, and ancillary professional services for the capital improvements described at Exhibit A.
- B. To assure that all capital improvements are design, constructed, installed, operated, and maintained in accordance with all applicable laws and codes.
- C. To submit draft design plans to the County for review and comment and to timely respond to the County's comments (if any); provided, however, that the County shall have no duty to conduct such review; and provided further that the Association shall remain solely responsible for assuring that the improvements are designed, constructed, installed, operated and maintained in accordance with all applicable laws and codes.
- D. To proceed with any capital improvements as soon as possible after the effective date of this Agreement.
- E. To submit to the County requests for reimbursement in a timely manner, to provide the necessary supporting documentation as requested by the County, and to follow the reimbursement process described at Exhibit B.
- F. Upon completion of the capital improvement project funded under this Agreement, provide a written certification of such completion to the County.

3. EFFECTIVE DATE: The effective date of this Agreement is the last date written below.

4. LIABILITY:

- A. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1 through 41-4-30, or creates any right of indemnity.
- B. There are no third-party beneficiaries to this Agreement. Without limiting the generality of the foregoing, no action to enforce the terms of this Agreement or for damages for breach of this Agreement may be brought against either party by any person who is not a party to this Agreement.

5. **AMENDMENT:** This Agreement may not be altered, changed, or amended except by a written agreement executed by the parties.
6. **APPLICABLE LAW AND VENUE:** New Mexico law shall apply to this Agreement. Any litigation regarding this Agreement shall be brought exclusively in New Mexico State District Court, First Judicial District, Santa Fe, New Mexico.
8. **INTEGRATION:** This Agreement sets forth the entire agreement between the parties and any prior agreements and understandings between the parties, whether written or oral, regarding the subject matter of this Agreement are fully integrated into this Agreement.
9. **INSURANCE:** Prior to commencement of construction of any improvements described in Exhibit A, the Association shall obtain and continue to maintain during the term of this Agreement a commercial general liability insurance policy that, at a minimum, covers bodily injury and property damage arising out of or relating to the capital improvements constructed with funding under this Agreement. The policy shall have a liability limit in the amount of not less than \$1,000,000 per occurrence and name the County as an additional insured. The Association shall provide proof of such general liability insurance acceptable to the County. The Association may satisfy the Section by requiring the contractor to obtain comparable insurance, naming the County as an additional insured.

10. TERMINATION AND SURVIVAL:

A. The County may terminate this Agreement by:

- (1) Providing written notice of a material breach to the Association. If the Association does not cure the breach to the County's satisfaction within 90 days of such notice, this Agreement shall terminate automatically at the end of the 90th day.
- (2) Providing written notice that the Board has not appropriated sufficient funds; provided, however, that valid requests for reimbursement submitted prior to such notice shall be paid, subject to Section 11.

B. The Association may terminate this Agreement by providing written notice of termination to the County.

C. Unless terminated earlier as provided above, this Agreement shall terminate automatically upon the first occurrence of:

- (1) The Association fails to make a valid request for reimbursement within two years after the effective date of this Agreement.

(2) Association provides the County with a certificate of completion under Section 3(F).

D. The Association's duty to maintain insurance under Section 9 shall survive one year after termination of this Agreement.

11. BATEMENT ACT: Pursuant to NMSA 1978, Section 6-6-11(1953), nothing in this Agreement shall require the County to become indebted or contract any debts of any kind or nature whatsoever during any current year which, at the end of such current year, is not and cannot then be paid out of the money actually collected and belonging to that current year, and any indebtedness for any current year which is not paid and cannot be paid, as above provided for, shall be void.

SANTA FE COUNTY

By: _____
Robert Anaya
Chair, Board of County Commissioners

Date: _____

ATTEST:

Geraldine Salazar, Santa Fe County Clerk

Date: _____

APPROVED AS TO FORM:

Greg Shaffer, Santa Fe County Attorney

Date: _____

**GREATER CHIMAYO MUTUAL DOMESTIC WATER CONSUMERS
ASSOCIATION**

By: *Paul J. Martinez*
Paul J. Martinez, Board President

Date: 10/24/15

ATTEST:

John Florez
John Florez, Board Secretary

Date: 10/24/15



APPROVED AS TO FORM:



Ted J. Trujillo
Attorney for the Association

Date: 10-24-15